

REMARKS

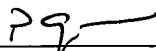
Reconsideration of the application as amended is respectfully requested. The Examiner has restricted examination of claims 1-41 in this application. Specifically, the Examiner restricted claims 1-35 to Group I as being drawn to a system for co-production of hydrogen and electrical energy, and the Examiner restricted claims 36-41 to Group II as being drawn to a method for co-production of hydrogen and electrical energy.

Although Applicant does not necessarily agree with the Examiner's reasons for restriction, Applicant elects to prosecute claims 1-35 of Group I. Therefore, Applicant has canceled claims 36-41 without prejudice for possible inclusion in a divisional application. This election is made with traverse.

If the Examiner believes that a telephonic interview will help speed this application toward issuance, the Examiner is invited to contact the undersigned at the telephone number listed below.

Respectfully submitted,

Date: 2/27/2007



Patrick S. Yoder
Reg. No. 37,479
FLETCHER YODER
P.O. Box 692289
Houston, TX 77269-2289
(281) 970-4545